

DIVISION OF WATER RIGHTS

License for Diversion and Use of Water

Page 1 of 4
APPLICATION 17468A

PERMIT 11541

LICENSE 6317A

'THIS IS TO CERTIFY, That

Delta Breeze Vineyards, L.L.C.

A California Limited Liability Company
118 North Fairway Circle
Litchfield Park, AZ 85340

has made proof as of **June 10. 1960** (the date of inspection) to the satisfaction of the State Water Resources Control Board of a right to the use of the waters of **Dredger Cut. East Extension of Snodgrass Slough in Sacramento County**

tributary to Snodgrass Slough thence Mokelumne River

for the purpose of Irrigation use

under Permit 11541 of the Board and that the right to the use of this water has been perfected in accordance with the laws of California, the Regulations of the Board and the permit terms: that the priority of this right dates from February 19. 1957 and that the amount of water to which this right is entitled and hereby confirmed is limited to the amount actually beneficially used for the stated purposes and shall not exceed three and one tenth (3.1) cubic feet per second to be diverted from April 1 to October 31 of each year.

The maximum amount diverted under this license shall not exceed 1,315.8 acre-feet per year.

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The equivalent of such continuous flow allowance for any thirty-day period may be diverted in a shorter time if there be no interference with other vested rights.

THE POINT OF DIVERSION OF SUCH WATER IS LOCATED:

North eighty-eight degrees forty-eight minutes west (N88° 48'W) four thousand three hundred thirteen and eight-tenths (4313.8) feet thence north fifty-four (54) feet from SE corner of projected Section 31, T6N, R5E, MDB&M, being within SW¼ of SW¼ of said Section 31.

A DESCRIPTION OF THE LANDS OR THE PLACE WHERE SUCH WATER IS PUT TO BENEFICIAL USE IS AS FOLLOWS:

40.0 acres within the NW14 of SE14 of projected Section 5, T5N, R5E, MDB&M:

40.0 acres within the SW1/4 of SE1/4 of projected Section 5, T5N, R5E, MDB&M;

 $46^{\circ}.0$ acres within the NE¼ of SE¼ of projected Section 5, T5N, R5E, MDB&M;

40.0 acres within the SE14 of SE14 of projected Section 5, T5N, R5E, MDB&M:

34.3 acres within the NW1/4 of SW1/4 of projected Section 4, T5N, R5E, MDB&M, and

37.8 acres within the SW1/4 of SW1/4 of projected Section 4. T5N, R5E, MDB&M

232.1 net acres within a gross area of 239.2 acres, as shown on map on file with State Water Resources Control Board.

Licensee shall allow representatives of the State Water Resources Control Board and other parties, as may be authorized from time to time by said Board, reasonable access to project works to determine compliance with the terms of this license.

The quantity of water diverted under this license is subject to modification by the Board if, after notice to the licensee and an opportunity for hearing, the Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the Board finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

Pursuant to California Water Code Sections 100 and 275 and the common law public trust doctrine, all rights and privileges under this license, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use or unreasonable method of diversion of said water.

This continuing authority of the Board may be exercised by imposing specific requirements over and above those contained in this license with a view to eliminating waste of water and to meeting the reasonable water requirements of licensee without unreasonable draft on the source. Licensee may be required to implement a water conservation plan, features of which may include but not necessarily be limited to: (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this license and to determine accurately water use as against reasonable water requirement for the authorized project. No action will be taken pursuant to this reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the Board determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the Board also may be exercised by imposing further limitations on the diversion and use of water by the licensee in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the Board determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution Article X, Sec. 2; is consistent with the public interest and is necessary to preserve or restore the uses protected by the public trust.

Reports shall be filed promptly by licensee on appropriate forms which will be provided for the purpose from time to time by the Board.

The right hereby confirmed to the diversion and use of water is restricted to the point or points of diversion herein specified and to the lands or place of use herein described.

This license is granted and licensee accepts all rights herein confirmed subject to the following provisions of the Water Code:

Section 1625. Each license shall be in such form and contain such terms as may be prescribed by the Board.

Section 1626. All licenses shall be under the terms and conditions of this division (of the Water Code).

Section 1627. A license shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code) but no longer.

Section 1628. Every license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a license is issued takes the license subject to the conditions therein expressed.

Section 1629. Every licensee, if he accepts a license does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any license granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any licensee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

Dated:

JULY

29 1997

STATE WATER RESOURCES CONTROL BOARD

Chief, Division of Water Rights

6-6-00 asgid to Delta Breeze Partners, LLC

DIVISION OF WATER RIGHTS

ORDER

Application 17468 Permit 11541 License 6317
CORRECTION AND REPLACEMENT OF ORDER DATED JULY 29, 1997

WHEREAS:

- 1. License 6317 was issued to Alfred Kuhn on June 5, 1961 pursuant to Application 17468 and filed with the County Recorder of Sacramento on June 5, 1961.
- License 6317 was subsequently assigned to Delta Breeze Vineyards, L.L.C. on March 14, 1997.
- 3. The licensee informed the State Water Resources Control Board (SWRCB) by letter dated April 7, 1997 that a portion of the place of use (POU) and quantity of water under License 6317 was sold to Premiere Partners III, L.L.C. Limited Partnership.
- 4. A request for issuance of separate licenses to cover licensees' respective POU'S has been filed with the SWRCB in the above letter and said SWRCB has determined that good and sufficient cause for issuance of separate licenses has been shown.

NOW, THEREFORE, IT IS ORDERED THAT:

- 1. License 6317 be replaced by License 6317A issued to Delta Breeze Vineyards. L.L.C. and License 6317B issued to Premiere Partners III Limited Partnership.
- 2. Superseded License 6317 is hereby revoked upon assignment of Licenses 6317A and 6317B.

Separate licenses be issued as follows:

A. License: 6317A (Application 17468A)

License 6317 (Application 17468) Page 2

Owners: Delta Breeze Vineyards, L.L.C.

A California Limited Liability Company

118 North Fairway Circle Litchfield Park, AZ 85340

Source: Dredger Cut, East Extension of Snodgrass Slough

tributary to Snodgrass Slough thence Mokelumne River

in Sacramento County.

Use: Irrigation

Amount: 3.1 cubic feet per second

Maximum Annual Use: 1,315.8 acre-feet

Season: April 1 to October 31

Points of

Diversion: North eighty-eight degrees forty-eight minutes west

(N88° 48'W) four thousand three hundred thirteen and eight-tenths (4,313.8) feet thence north fifty-four (54) feet from SE corner of Section 31, T6N, R5E, MDB&M, being

within SW1/4 of SW1/4 of said Section 31.

Place of

Use:

232.1 net acres within a gross area of 239.2 acres

described as follows:

40.0 acres within the NW¼ of SE¼ of Section 5, T5N, R5E, MDB&M;

40.0 acres within the SW1/4 of SE1/4 of Section 5, T5N, R5E, MDB&M;

40.0 acres within the NE¼ of SE¼ of Section 5, T5N, R5E, MDB&M;

40.0 acres within the SE¼ of SE¼ of Section 5, T5N, R5E, MDB&M;

34.3 acres within the NW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 4, T5N, R5E, MDB&M;

37.8 acres within the SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 4, T5N, R5E, MDB&M, as shown on map on file with the SWRCB.

B. License:

6317B (Application 17468B)

Owners:

Premier Partners III Limited Partnership

c/o Westchester Group, Inc.

2407 South Neil Champaign, IL 61820

Source:

Dredger Cut, East Extension of Snodgrass Slough tributary to Snodgrass Slough thence Mokelumne River in Sacramento County

License 6317 (Application 17468) Page 3

Use:

Irrigation

Amount:

2.4 cubic feet per second

Maximum Annual Use: 1,018.7 acre-feet

Season:

April 1 to October 31

Point of

Diversion: North eighty-eight degrees forty-eight minutes west (N88° 48'W) four thousand three hundred thirteen and eight-tenths (4,313.8) feet thence north fifty-four (54) feet from SE corner of Section 31, T6N, R5E, MDB&M, being within SW1/4 of SW1/4 of said Section 31.

Place of

Use:

176.7 net acres within a gross area of 188.8 acres described as follows:

- 4.8 acres within the NW¼ of NE¼ of Section 5, T5N, R5E, MDB&M;
- 5.8 acres within the SW1/4 of NE1/4 of Section 5, T5N, R5E, MDB&M;
- 54.2 acres within the NE¼ of NE¼ of Section 5, T5N, R5E, MDB&M;
- 37.6 acres within the SE1/4 of NE1/4 of Section 5, T5N, R5E, MDB&M;
- 41.1 acres within the NW1/4 of NW1/4 of Section 4, T5N, R5E, MDB&M, and
- 33.2 acres within the SW1/4 of NW1/4, of Section 4, T5N, R5E, MDB&M, as shown on map on file with the SWRCB.
- Licenses 6317A and 6317B shall contain all other terms and conditions presently in License 6317 or updated versions for compliance with the SWRCB's policy.

Dated: OCTOBER/84 1997

Anton, Chief Division of Water Rights

DIVISION OF WATER RIGHTS

ORDER

Application	17468	Permit	11541	License	6317

ORDER DIRECTING REVOCATION OF ORIGINAL LICENSE AND ISSUANCE OF SEPARATE LICENSES

WHEREAS:

- License 6317 was issued to Alfred Kuhn on June 5, 1961 pursuant to Application 17468 and filed with the County Recorder of Sacramento on June 5, 1961.
- License 6317 was subsequently assigned to Delta Breeze Vineyards, L.L.C. on March 14, 1997.
- 3. The licensee informed the State Water Resources Control Board (SWRCB) by letter dated April 7, 1997 that a portion of the place of use (POU) and quantity of water under License 6317 was sold to Premiere Partners III, L.L.C. Limited Partnership.
- 4. A request for issuance of separate licenses to cover licenses' respective POU has been filed with the SWRCB in the above letter and said SWRCB has determined that good and sufficient cause for issuance of separate licenses has been shown.

NOW, THEREFORE, IT IS ORDERED THAT:

- 1. License 6317 be replaced by License 6317A issued to Delta Breeze Vineyards. L.L.C. and License 6317B issued to Premiere Partners III Limited Partnership.
- 2. Superseded License 6317 is hereby revoked upon assignment of Licenses 6317A and 6317B.

3. Separate licenses be issued as follows:

A. License:

6317A (Application 17468A)

Owners:

Delta Breeze Vineyards, L.L.C.

A California Limited Liability Company

c/o Westchester Group, Inc.

2407 South Neil Champaign, IL 61820

Source:

Dredger Cut, East Extension of Snodgrass Slough

tributary to Snodgrass Slough in Sacramento

County.

Use:

Irrigation

Amount:

3.1 cubic feet per second

Maximum Annual Use: 1,018.7 acre-feet

Season:

April 1 to October 31

Points of

Diversion:

North eighty-eight degrees forty-eight minutes west

(N88° 48'W) four thousand three hundred thirteen and

eight-tenths (4,313.8) feet thence north fifty-four (54) feet from SE corner of Section 31, T6N, R5E, MDB&M, being

within SW1/4 of SW1/4 of said Section 31.

Place of

Use:

232.1 net acres within a gross area of 239.2 acres

described as follows:

40.0 acres within the NE¼ of SE¼ of Section 5, T5N, R5E, MDB&M;

40.0 acres within the SW1/4 of SE1/4 of Section 5, T5N, R5E, MDB&M;

40.0 acres within the NE¼ of SE¼ of Section 5, T5N, R5E, MDB&M;

40.0 acres within the SE¼ of SE¼ of Section 5, T5N, R5E, MDB&M;

34.3 acres within the NW¼ of SW¼ of Section 4, T5N, R5E, MDB&M;

37.8 acres within the SW¼ of SW¼ of Section 4, T5N, R5E, MDB&M, as shown on map on file with the SWRCB.

B. License:

6317B (Application 17468B)

Owners:

Premier Partners III Limited Partnership

c/o Westchester Group, Inc.

2407 South Neil Champaign, IL 61820

License 6317 (Application 17468) Page 3

Source: Dredger Cut, East Extension of Snodgrass Slough

tributary to Snodgrass Slough in Sacramento County

Use: Irrigation

Amount: 2.4 cubic feet per second

Maximum Annual Use: 1,315.8 acre-feet

Season: April 1 to October 31

Point of

Diversion: North eighty-eight degrees forty-eight minutes west

(N88° 48'W) four thousand three hundred thirteen and eight-tenths (4,313.8) feet thence north fifty-four (54) feet from SE corner of Section 31, T6N, R5E, MDB&M, being

within SW1/4 of SW1/4 of said Section 31.

Place of

Use: 176.7 net acres within a gross area of 183.8 acres

described as follows:

4.8 acres within the NW¼ of NE¼ of Section 5, T5N, R5E, MDB&M;

- 5.8 acres within the SW¼ of NE¼ of Section 5, T5N, R5E, MDB&M;
- 54.2 acres within the NE¼ of NE¼ of Section 5, T5N, R5E, MDB&M;
- 37.6 acres within the SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 5, T5N, R5E, MDB&M;
- 41.1 acres within the NW¼ of NW¼ of Section 4, T5N, R5E, MDB&M, and
- 33.2 acres within the SW 1 4 of NW 1 4, of Section 4, T5N, R5E, MDB&M, as shown on map on file with the SWRCB.

4. Licenses 6317A and 6317B shall contain all other terms and conditions presently in License 6317 or updated versions for compliance with the SWRCB's policy.

Dated:

ULX / |29 1997

Edward C. Anton, Chief Division of Water Rights

DIVISION OF WATER RIGHTS

ORDER

Application	17468	Permit	11541	License	6317
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ORDER CORRECTING SOURCE

WHEREAS:

- 1. License 6317 was issued to Alfred Kuhn and was recorded with the County of Sacramento on June 6, 1961 under Document 54766.
- License 6317 was assigned to J.S. Stephens II, Scharlie L. Stephens, Jacob S. Stephens Family Trust, J.S. Stephens III and Karen E. Stephens on August 18, 1995.
- 3. License 6317 was subsequently assigned to Delta Breeze Vineyards, L.L.C.
- 4. A request to correct the description for the source under License 6317 was filed with the State Water Resources Control Board (SWRCB) on October 23, 1996.
- 5. The SWRCB has determined that the correction to the source does not constitute the initiation of a new right nor operate to the injury of any other lawful user of water.
- 6. The license condition pertaining to the SWRCB's continuing authority should be updated to conform with the current Section 780(a), Title 23, of the California Code of Regulations.

NOW, THEREFORE, IT IS ORDERED THAT:

- 1. The description for the source under this license shall be corrected to read as follows:
 - Dredger Cut, East Extension of Snodgrass Slough tributary to Snodgrass Slough thence Mokelumne River.
- 2. The existing continuing authority condition under this license shall be amended as follows:

Pursuant to California Water Code Sections 100 and 275, and the common law public trust doctrine, all rights and privileges under this license including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the SWRCB in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the SWRCB may be exercised by imposing specific requirements over and above those contained in this license with a view to eliminating waste of water and to meeting the reasonable water requirements of license without unreasonable draft on the source. License may be required to implement a water conservation plan, features of which may include but not necessarily be limited to: (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this license and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the SWRCB determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the SWRCB also may be exercised by imposing further limitations on the diversion and use of water by the license in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the SWRCB determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution Article X, Section 2; is consistent with the public interest and is necessary to preserve or restore the uses protected by the public trust. (0000012)

Dated: MARCH

Edward C. Anton, Chief Division of Water Rights